

Personal Automobile Coverages

Liability Coverage

The liability coverage of the personal auto policy provides protection against legal liability arising out of the ownership, maintenance, or use of any insured automobile. The insuring agreement agrees to pay damages for bodily injury or property damage for which the insured is legally responsible because of an automobile accident resulting from the ownership, maintenance, or use of a covered auto. The insuring agreement also states that in addition to the payment of damages for which the insured is legally liable for, the insurer also agrees to defend the insured for all legal defense cost. The defense cost is in addition to the policy limits.

Medical Payments Coverage

The insuring agreement states that the insurer will pay all reasonable and necessary medical and funeral expenses incurred by an insured because of bodily injury caused by an accident. The insured is the named insured and any other person occupying a covered auto. These payments are made without regard to fault.

Uninsured/Underinsured Motorist Coverage

Uninsured Motorist

This insuring agreement pays for bodily injury to an insured who is injured by an uninsured motorist, a hit-and-run driver, or a driver whose insurer becomes insolvent. These benefits are paid under the named insured's policy.

Underinsured Motorist

This coverage is added to supplement the Uninsured Motorist Coverage, the coverage applies only when the other driver has liability limits at the time of an accident, but the liability limits carried may be insufficient to pay for damages for which the driver is responsible. This is when the insured's underinsured motorists coverage would apply and payment for the difference could be made. The two coverages are mutually exclusive and do not overlap or duplicate each other.

Any Automobile

Coverage is provided for any auto, including autos owned by the insured and autos the named insured hires or borrows from auto rental businesses (liability only).

Physical Damage Coverages

Collision Coverage

This coverage provides protection against loss or damage to a covered auto resulting from the impact with another vehicle or object. Collision losses are paid regardless of fault.

Comprehensive Coverage

Comprehensive coverage provides protection against loss or damage to a covered auto resulting from loss other than a collision or upset.

Endorsements

Rental Reimbursement

The insured can pay an additional premium for rental reimbursement coverage. Rental reimbursement pays the cost of renting a substitute auto for replacement of any covered auto that has suffered a covered loss. The daily and maximum limit for this coverage varies among insurers.

Towing and Labor

When this coverage is added, the insurer pays for towing and labor costs each time a covered auto is disabled, up to a stated amount.